

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
New Orleans Musicians Assistance Foundation,
New Orleans, Louisiana.

We have audited the accompanying statement of financial position of New Orleans Musicians Assistance Foundation (the "Foundation") (a nonprofit Foundation) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report, dated June 29, 2012 on our consideration of the Foundation's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Bourgeois Bennett, LLC.

Certified Public Accountants.

New Orleans, Louisiana,
June 29, 2012.

STATEMENT OF FINANCIAL POSITION**New Orleans Musicians Assistance Foundation**

December 31, 2011

Assets

Cash	\$ 807,774
Certificates of deposit	629,552
Accounts receivable	6,910
Government grant receivable	55,733
Property and equipment, net of accumulated depreciation	<u>3,952</u>
Total assets	<u><u>\$ 1,503,921</u></u>

Liabilities

Accounts payable and accrued expenses	\$ 42,596
Grant reimbursement payable	<u>150,991</u>
Total liabilities	<u>193,587</u>

Net Assets

Unrestricted	<u>1,310,334</u>
Total liabilities and net assets	<u><u>\$ 1,503,921</u></u>

See notes to financial statements.

STATEMENT OF ACTIVITIES**New Orleans Musicians Assistance Foundation**

For the year ended December 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Revenues and Support			
Government grants	\$ 307,059	\$	\$ 307,059
Contributions	364,225		364,225
In-kind support	743,206		743,206
Events/fundraising income	152,427		152,427
Private grants	142,500		142,500
Investment income	7,613		7,613
Miscellaneous income	1,400		1,400
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Total revenues and support	1,718,430	-	1,718,430
	<hr/>	<hr/>	<hr/>
Net Assets Released From Restrictions			
Program restrictions satisfied through payments	285,608	(285,608)	-
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Total revenues and support	2,004,038	(285,608)	1,718,430
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Expenses			
Program services	1,340,954		1,340,954
Management and development general	58,278		58,278
Fund and program development	148,614		148,614
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Total expenses	1,547,846	-	1,547,846
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Increase (Decrease) In Net Assets	456,192	(285,608)	170,584
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Net Assets			
Beginning of year, as restated	854,142	285,608	1,139,750
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End of year	\$ 1,310,334	\$ -	\$ 1,310,334
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See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES**New Orleans Musicians Assistance Foundation**

For the year ended December 31, 2011

	Program Services	Support Services		Total
		Management	Fund and Program Development	
Administrative and management services:				
New Orleans Musicians Clinic	\$ 134,106	\$ 5,584	\$ 16,751	\$ 156,441
New Orleans Musicians Assistance Foundation	26,061	13,924	47,682	87,667
New Orleans Musicians Assistance Foundation Musician Outreach Program	10,207	3,470	10,411	24,088
New Orleans Musicians Assistance Foundation HECSI/HHAD Cancer Screening Initiative	6,243			6,243
Prevent Death By Lifestyle	1,324			1,324
Save New Orleans' Sounds Initiative	3,274			3,274
Bank charges		348		348
Depreciation		3,100		3,100
Development consulting and expenses			53,019	53,019
Emergency assistance	28,776			28,776
Insurance		7,352		7,352
New Orleans Musicians Clinic Medical Services:				
Ancillary medical care	6,100			6,100
Behavioral health care	5,363			5,363
Dental care	60,056			60,056
Medical laboratory fees	14,764			14,764
Medical staff services	754,478			754,478
Medical supplies	2,120			2,120
Medical transportation	2,136			2,136
Occupancy expense	86,913			86,913
Pharmacy expense	17,811			17,811
Miscellaneous	12,852	5,904		18,756
Musician outreach	161,483			161,483
Postage and shipping	128	1,154		1,282
Printing and publications	92	830		922
Professional dues	876			876
Rent expense	4,127	12,509	12,509	29,145
Supplies	287	1,149	1,436	2,872
Telephone	1,092	1,092	3,276	5,460
Travel	285		1,668	1,953
Utilities		1,862	1,862	3,724
Total expenses	<u>\$ 1,340,954</u>	<u>\$ 58,278</u>	<u>\$ 148,614</u>	<u>\$ 1,547,846</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS**New Orleans Musicians Assistance Foundation**

For the year ended December 31, 2011

Cash Flows From Operating Activities:	
Increase in net assets	\$ 170,584
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	3,100
Unrealized loss	5,016
Decrease in operating assets:	
Accounts receivable	(6,910)
Government grants receivable	(55,733)
Private grant receivable	100,000
Pledges receivable	29,185
Decrease in operating liabilities:	
Accounts payable and accrued expenses	13,478
Grant reimbursement	150,991
	<u>239,127</u>
Total adjustments	239,127
Net cash provided by operating activities	<u>409,711</u>
Cash Flows From Investing Activities:	
Purchase of certificates of deposit	(530,000)
Proceeds from redemption of certificate of deposit	200,000
	<u>(330,000)</u>
Net cash used in investing activities	(330,000)
Net Increase in Cash	79,711
Cash	
Beginning of year	<u>728,063</u>
End of year	<u>\$ 807,774</u>

See notes to financial statements.